P.S.—I observe that Mr. Beauchamp assumes for the nonce the role of adviser in regard to the way in which I should conduct my business; but if I might presume to differ from one so gifted in Latin quotation, I should like to say my experience is that the "*suaviter in modo*" as salesmen are usually the failures, while the "*fortiter in re*" get the business.

When thinking of New Zealand, always remember that the entire population, including that of both Islands, is less than some of the towns in England.

These letters throw an interesting light on the methods that have been pursued to secure control of commodities imported into this country. Nor is this an isolated instance; for at about the time of Mr. Beauchamp's visit to London several of the Home suppliers became peculiarly active in the attempt to stifle competition. The correspondence is quoted in full on pages 120 and 121 of the evidence. Writing to Messrs. Laughland, Mackay, and Co., of 50 Lime Street, London, on the 4th August, 1911, James Keiller and Sons (Limited), say, "We have recently been compelled to take steps to prevent the persistent cutting of our marmalade and conserves in New Zealand, and with this end in view have effected an understanding with the Merchants' Association of New Zealand by which we decline to accept indents, either direct or through London indent agents, for other than members of the association." Van Houten and Zoon, writing on the same date (4th August), to the same London house, say, "Members of the wholesale trade out there [New Zealand] are complaining to us that this firm [Fairbairn, Wright, and Co.] has adopted a policy of cutting prices to the detriment of the trade generally, and we have been approached with the object of getting the firm in question to adopt the ruling prices for Van Houten's cocoa instead of underselling." The procedure outlined in these letters has been developing for some considerable time, and it seems to us that unless immediate steps are taken our trade and commerce may eventually pass into the hands of a few firms able to levy tribute from the consuming public.

As a further illustration of the boycotting operations of this association in New Zealand we would draw your attention to the letter of the British Empire Trading Company (Limited), (9th October, 1911), to Messrs. Fairbairn, Wright, and Co., of Christchurch, refusing without a valid reason an order worth approximately £1,000 (see page 121). Similar treatment was accorded to Messrs. Brewer, Fulton, and Co., of Wellington, when the British Empire Trading Company refused an order of £180 spot cash for goods (see evidence, page 394). Mr. Fulton states distinctly that this refusal on the part of the British Empire Trading Company to supply him with tobacco followed on a refusal by the associated merchants to supply. He says, "We were cut off for no reason at all by the associated merchants as far as we know." The inference, it seems to us, to be drawn from the correspondence and other evidence is that Messrs. Brewer, Fulton, and Co. were being boycotted by the Merchants' Association, and that the Merchants' Association exercised pressure on the Tobacco Company to induce it to refuse supplies.

Similar treatment was accorded to Cuthbert Bowyer, Christchurch (page 145), H. B. Low, Christchurch (pages 88 and 89), J. J. Westgarth, Christchurch (page 92), J. W. Hall, merchant, Auckland (pages 258, 259, and 260, questions 12 to 16 inclusive). In this last case the correspondence clearly indicates that the firm of Messrs. T. H. Hall and Co., merchants, Auckland, were refused supplies on the usual merchants' terms by the Union Soap, Oil, and Candle Company on the ground that they refused to join the Merchants' Association.

4. While, as already stated, your Commissioners cannot definitely measure the extent to which prices have been raised by the operations of the various branches of this association, voluminous evidence was tendered us clearly showing that prices have been raised to the public immediately the association secured the control of various commodities. This evidence mainly emanated from master grocers, most of whom had been in business for many years, and were thus able to speak with some authority on the matter. In each of the four centres visited these grocers positively affirmed that, as a result of "scaling" or "tariffing" goods, the prices were raised to the consumer. Robert Wilson, grocer, Dunedin, says (see pages 20, 21, and 22), "I think the framing of the tariffs has a lot to do with putting up the prices in the general grocery line," and, further, "The retailer must buy from these people